

Virginia Health Reform Initiative (VHRI)
Advisory Council Meeting

May 3, 2012

National Patient Advocate Foundation (NPAF) is a national, non-profit organization whose mission is to create avenues of improved patient access to health care through public policy reform at the state and federal levels. NPAF is dedicated to working with the Administration, Congress, and all levels of government to overcome challenges and find solutions that will allow for affordable, high-quality health care for all.

NPAF is generally in support of the Bulletin's approach which grants states significant flexibility to establish what constitutes essential health benefits. This approach recognizes the tremendous healthcare market variability that is experienced throughout the country regarding health costs and insurance premium cost variability and health insurance product availability, as well as variability in other health-related areas that impact the healthcare market such as disease incidence and prevalence. It also allows patients to benefit from state policymaker and the healthcare business community's decisions that both reflect the states' health market environment as well as leverage current state health promotion efforts.

The greatest concern that NPAF has with the Bulletin regards benefit design flexibility, particularly pharmaceutical benefits.

HHS intends to require that a health plan offer benefits that are “substantially equal” to the benefits of the benchmark plan selected by the State and modified as necessary to reflect the 10 coverage categories, as is utilized in the Children’s Health Insurance Program.

NPAF's Response to the Essential Health Benefits Bulletin Regarding Formulary Requirements:

- **Permitting plans to offer a minimum of one drug in a certain category or class appears to rest upon a mistaken assumption that all drugs benefit patients in the same manner. The patient population is not homogeneous and neither is its reaction to drug therapies.**

- Medicare Part D has six protected classes which allow for patients to choose the drug that benefits them therapeutically, and which can be effectively tolerated. The decision to allow plans to offer a minimum of one drug in a certain category or class appears to be inconsistent with PPACA language that states the scope of the essential health benefits should be equal to the scope of benefits provided under a typical employer plan. To assure patient access to necessary pharmacologic therapies, the plans should be required to mirror the benchmark's formulary or adopt Medicare Part D's approach which allows for six protected classes